

AMENDED IN SENATE JUNE 6, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 786

Introduced by Assembly Member Dickinson

February 21, 2013

An act to amend Sections ~~2010, 2040, and 2084~~ 2003, 2010, 2011, 2040, 2082, 2084, 2101, and 2102 of, and to add Sections 2154 ~~and 2155 and 2174~~ to, the Financial Code, relating to money transmissions.

LEGISLATIVE COUNSEL'S DIGEST

AB 786, as amended, Dickinson. Money transmissions.

Existing law, the Money Transmission Act, provides for the regulation of money transmissions by the Department of Financial Institutions and the Commissioner of Financial Institutions. The Governor's Reorganization Plan No. 2, as of July 1, 2013, abolishes the Department of Financial Institutions and transfers its responsibilities to the Department of Business Oversight and the Commissioner of Business Oversight.

Existing law, ~~the Money Transmission Act~~, requires a person who engages in the business of money transmission in this state to be licensed by the department. Existing law provides that only a corporation or limited liability company may be issued a license under the Money Transmission Act. Existing law exempts certain persons or entities from the application of the act, as specified. *Existing law authorizes the commissioner, by regulation or order, to exempt from the act any person or transaction or class of persons or transactions, if the commissioner finds such action to be in the public interest and not necessary.*

This bill would further exempt from the act a person that delivers payroll money on behalf of an employer to employees by check or

deposit in a checking or savings account, as specified. *The bill would authorize the commissioner, by regulation or order, to exempt from all or part of the act any person or transaction or class of persons or transactions and would require the commissioner to adopt regulations to carry out and implement this section. The bill would require the commissioner to make these exemptions public on the commissioner's Internet Web site, as specified.*

Existing law requires a licensee to maintain tangible shareholders' equity, as defined, in an amount to be determined from time to time by the commissioner, but not less than \$500,000.

This bill would require an applicant to possess, and a licensee to maintain at all times, ~~a minimum net worth~~ *tangible shareholder's equity* of \$100,000 to \$500,000, depending on estimated or actual transaction volume, as determined by the commissioner. The bill would authorize the commissioner to increase that net worth requirement to up to \$2,000,000, if certain criteria are met.

Existing law requires a licensee to at all times own eligible securities, meaning any United States currency eligible security or foreign currency eligible security, having an aggregate market value computed in accordance with United States generally accepted accounting principles, as specified.

This bill would specify that any receivable owed by a bank and resulting from an automated clearinghouse or credit-funded transmission is a United States currency eligible security.

Existing law provides that a licensee shall be deemed to own an eligible security under specified criteria. Existing law provides that no licensee shall be deemed not to own an eligible security solely on account of certain facts, provided that, but for that fact, the licensee would be deemed to own the eligible security.

This bill would provide that no licensee shall be deemed not to own an eligible security solely on account of the fact that the licensee holds the eligible security in a custodial capacity as an agent of its customers in a pooled account in the name of the licensee, as determined by the commissioner *based on specified factors*.

Existing law requires licensee or its agent to forward all money received for transmission or give instructions committing equivalent money to the person designated by the customer within 10 days after receiving that money, unless otherwise ordered by the customer. In the case of money received for transmission, existing law requires a receipt to be provided by a licensee or its agent to all customers and requires

that the receipt be made available to the customer in English and in the language principally used by that licensee or that agent to advertise at that branch office if other than English.

This bill would provide an exception to these requirements when the money transmission is for the payment of goods or services and make a conforming change in this regard.

Existing law sets forth enforcement provisions under the Money Transmission Act. Existing law authorizes the commissioner to direct a licensee who is out of compliance with the Money Transmission Act to comply with the law or discontinue any unsafe or injurious practices.

This bill would provide that the commissioner has continuous authority to exercise the powers set forth in this act whether or not an application for a license has been filed with the commissioner, any license has been issued, or if issued, has been surrendered, suspended, or revoked. ~~The bill would authorize the commissioner to bring an action, or request that the Attorney General bring an action, against any person who has violated or is about to violate the act, and would set forth the relief that is authorized, as specified.~~

This bill would authorize the commissioner to prepare written decisions, opinion letters, and other formal written guidance and would require the commissioner to make public on the commissioner's Internet Web site all written decisions, opinion letters, and other formal written guidance.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2003 of the Financial Code is amended
2 to read:
3 2003. For purposes of this division, the following definitions
4 shall apply:
5 (a) "Affiliate," when used with respect to a specified person,
6 means any person controlling, controlled by, or under common
7 control with, that specified person, directly or indirectly through
8 one or more intermediaries. For purposes of subdivisions (q) and
9 (v), a specified person is affiliated with another person if that
10 person controls, is controlled by, or under common control through
11 the ownership directly or indirectly of shares or equity securities

1 possessing more than 50 percent of the voting power of that
2 specified person.

3 (b) “Agent” means a person that *is not itself licensed as a money*
4 *transmitter in California and* provides money transmission in
5 California on behalf of the licensee, provided that the licensee
6 becomes liable for the money transmission from the time money
7 or monetary value is received by that person. However, “agent”
8 does not include any officer or employee of the licensee when
9 acting as such at an office of a licensee.

10 (c) “Applicant” means a person that files an application for a
11 license or for acquisition of control of a licensee under this division.

12 (d) “Average daily outstanding” means the amount of
13 outstanding money transmission obligations in California at the
14 end of each day in a given period of time, added together, and
15 divided by the total number of days in that period of time.

16 (e) “Branch office” means any office in this state of a licensee
17 or agent at which the licensee receives money or monetary value
18 to provide money transmission, either directly or through an agent.

19 (f) “Business day” means one of the following:

20 (1) When used with respect to any act to be performed in this
21 state, any day other than Saturday, Sunday, or any other day that
22 is provided for as a holiday in the Government Code.

23 (2) When used with respect to any act to be performed in any
24 jurisdiction other than this state, any day other than a day that is
25 a legal holiday under the laws of that jurisdiction.

26 (g) “Commissioner” means the Commissioner of Financial
27 Institutions.

28 (h) “Control” has the meaning set forth in Section 1250.

29 (i) “Day” means calendar day.

30 (j) “In California” or “in this state” means physically located
31 in California, or with, to, or from persons located in California.

32 (k) “Issue” and “issuer” mean, with regard to a payment
33 instrument, the entity that is the maker or drawer of the instrument
34 in accordance with the California Commercial Code and is liable
35 for payment. With regard to stored value, “issue” and “issuer”
36 mean the entity that is liable to the holder of stored value and has
37 undertaken or is obligated to pay the stored value. Only a licensee
38 may issue stored value or payment instruments.

39 (l) “Licensee” means a corporation or limited liability company
40 licensed under this division.

1 (m) “Monetary value” means a medium of exchange, whether
2 or not redeemable in money.

3 (n) “Money” means a medium of exchange that is authorized
4 or adopted by the United States or a foreign government. The term
5 includes a monetary unit of account established by an
6 intergovernmental organization or by agreement between two or
7 more governments.

8 (o) “Money transmission” means any of the following:

9 (1) Selling or issuing payment instruments.

10 (2) Selling or issuing stored value.

11 (3) Receiving money for transmission.

12 (p) “Outstanding,” with respect to payment instruments and
13 stored value, means issued or sold by the licensee in the United
14 States and not yet paid or refunded by the licensee, or issued or
15 sold on behalf of the licensee in the United States by its agent and
16 reported as sold, but not yet paid or refunded by the licensee.
17 “Outstanding,” with respect to receiving money for transmission
18 means all money or monetary value received in the United States
19 for transmission by the licensee or its agents but not yet paid to
20 the beneficiaries or refunded to the person from whom the money
21 or monetary value was received. All outstanding money
22 transmission of a licensee is and shall remain a liability of the
23 licensee until it is no longer outstanding.

24 (q) “Payment instrument” means a check, draft, money order,
25 traveler’s check, or other instrument for the transmission or
26 payment of money or monetary value, whether or not negotiable.
27 The term does not include a credit card voucher, letter of credit,
28 or any instrument that is redeemable by the issuer for goods or
29 services provided by the issuer or its affiliate.

30 (r) “Person” means an individual, corporation, business trust,
31 estate, trust, partnership, proprietorship, syndicate, limited liability
32 company, association, joint venture, government, governmental
33 subdivision, agency or instrumentality, public corporation or joint
34 stock company, or any other organization or legal or commercial
35 entity, provided, however, that “person,” when used with respect
36 to acquiring control of or controlling a specified person, includes
37 any combination of two or more persons acting in concert.

38 (s) “Receiving money for transmission” or “money received for
39 transmission” means receiving money or monetary value in the
40 United States for transmission within or outside the United States

1 by electronic or other means. The term does not include sale or
2 issuance of payment instruments and stored value.

3 (t) “Record” means information that is inscribed on a tangible
4 medium or that is stored in an electronic or other medium and is
5 retrievable in perceivable form.

6 (u) “State” means a state of the United States, the District of
7 Columbia, Puerto Rico, the United States Virgin Islands, or any
8 territory or insular possession subject to the jurisdiction of the
9 United States.

10 (v) “Stored value” means monetary value representing a claim
11 against the issuer that is stored on an electronic or digital medium
12 and evidenced by an electronic or digital record, and that is
13 intended and accepted for use as a means of redemption for money
14 or monetary value or payment for goods or services. The term does
15 not include a credit card voucher, letter of credit, or any stored
16 value that is only redeemable by the issuer for goods or services
17 provided by the issuer or its affiliate, except to the extent required
18 by applicable law to be redeemable in cash for its cash value.

19 (w) “Traveler’s check” means an instrument that meets all of
20 the following:

21 (1) Is designated on its face by the term “traveler’s check” or
22 by any substantially similar term or is commonly known and
23 marketed as a traveler’s check.

24 (2) Contains a provision for a specimen signature of the
25 purchaser to be completed at the time of purchase.

26 (3) Contains a provision for a countersignature of the purchaser
27 to be completed at the time of negotiation.

28 **SECTION 1.**

29 *SEC. 2.* Section 2010 of the Financial Code is amended to read:
30 2010. This division does not apply to the following:

31 (a) The United States or a department, agency, or instrumentality
32 thereof, including any federal reserve bank and any federal home
33 loan bank.

34 (b) Money transmission by the United States Postal Service or
35 by a contractor on behalf of the United States Postal Service.

36 (c) A state, county, city, or any other governmental agency or
37 governmental subdivision of a state.

38 (d) A commercial bank or industrial bank, the deposits of which
39 are insured by the Federal Deposit Insurance Corporation or its
40 successor, or any foreign (other nation) bank that is licensed under

1 Article 3 (commencing with Section 1800) of Chapter 20 or that
2 is authorized under federal law to maintain a federal agency or
3 federal branch office in this state; a trust company licensed pursuant
4 to Section 1042 or a national association authorized under federal
5 law to engage in a trust banking business; an association or federal
6 association, as defined in Section 5102 the deposits of which are
7 insured by the Federal Deposit Insurance Corporation or its
8 successor; and any federally or state chartered credit union the
9 member accounts of which are insured or guaranteed as provided
10 in Section 14858.

11 (e) Electronic funds transfer of governmental benefits for a
12 federal, state, county, or local governmental agency by a contractor
13 on behalf of the United States or a department, agency, or
14 instrumentality thereof, or a state or governmental subdivision,
15 agency, or instrumentality thereof.

16 (f) A board of trade designated as a contract market under the
17 federal Commodity Exchange Act (7 U.S.C. Secs. ~~1-25~~, 1-25,
18 incl.) or a person that, in the ordinary course of business, provides
19 clearance and settlement services for a board of trade to the extent
20 of its operation as or for such a board.

21 (g) A person that provides clearance or settlement services
22 pursuant to a registration as a clearing agency or an exemption
23 from registration granted under the federal securities laws to the
24 extent of its operation as such a provider.

25 (h) An operator of a payment system to the extent that it provides
26 processing, clearing, or settlement services, between or among
27 persons excluded by this section, in connection with wire transfers,
28 credit card transactions, debit card transactions, stored value
29 transactions, automated clearing house transfers, or similar funds
30 transfers, to the extent of its operation as such a provider.

31 (i) A person registered as a securities broker-dealer under federal
32 or state securities laws to the extent of its operation as such a
33 broker-dealer.

34 (j) A person that delivers payroll money on behalf of an
35 employer to employees by check or deposit into a checking or
36 savings account at a bank, savings bank, savings and loan
37 association, savings association, or credit union, if that delivery is
38 the only money transmission activity of which the person engages.

39 (k) A person listed under subdivision (d) is exempted from all
40 the provisions of this division, except Sections 2062 and 2063.

1 *SEC. 3. Section 2011 of the Financial Code is amended to*
2 *read:*

3 2011. (a) The commissioner may, by regulation or order, either
4 unconditionally or upon specified terms and conditions or for
5 specified periods, exempt from *all or part of* this division any
6 person or transaction or class of persons or transactions, if the
7 commissioner finds such action to be in the public interest and that
8 the regulation of such persons or transactions is not necessary for
9 the purposes of this division. *The commissioner shall post on the*
10 *commissioner's Internet Web site a list of all persons, transactions,*
11 *or classes of person or transactions exempt pursuant to this section,*
12 *and the part or parts of this division from which they are exempt.*

13 (b) *The commissioner shall adopt regulations to carry out and*
14 *implement this section.*

15 ~~SEC. 2.~~

16 *SEC. 4. Section 2040 of the Financial Code is amended to read:*

17 2040. (a) An applicant shall possess, and a licensee shall
18 maintain at all times, ~~a minimum net worth computed in accordance~~
19 ~~with generally accepted accounting principles~~ *tangible*
20 *shareholder's equity* of one hundred thousand dollars (\$100,000)
21 to five hundred thousand dollars (\$500,000), depending on
22 estimated or actual transaction volume, as determined by the
23 commissioner.

24 (b) The commissioner may increase the amount of net worth
25 required of an applicant or licensee, up to a maximum of two
26 million dollars (\$2,000,000), if the commissioner determines, with
27 respect to the applicant or licensee, that a higher net worth is
28 necessary to achieve the purposes of this division based on the
29 following *factors*:

30 (1) The nature and volume of the projected or established
31 business.

32 (2) The number of locations at or through which money
33 transmission is or will be conducted.

34 (3) The amount, nature, quality, and liquidity of its assets.

35 (4) The amount and nature of its liabilities.

36 (5) The history of its operations and prospects for earning and
37 retaining income.

38 (6) The quality of its operations.

39 (7) The quality of its management.

40 (8) The nature and quality of its principals.

1 (9) The nature and quality of the persons in control.

2 (10) The history of its compliance with applicable state and
3 federal law.

4 (11) Any other factor the commissioner considers relevant.

5 (c) The commissioner at any time may require a licensee to
6 write down any asset held by it to a valuation that will represent
7 its then fair market value. Any receivable or debt due to a licensee
8 that is past due and unpaid for the period of one year shall be
9 charged off, unless it is well secured or is in process of collection.

10 (d) The aggregate value of a licensee's accounts receivable,
11 excluding money transmission receivables, loans or extensions of
12 credit to any one person, or that person's affiliates, cannot exceed
13 50 percent of the licensee's tangible shareholders' equity without
14 the advanced written approval of the commissioner. Whenever
15 such amount equals or exceeds 20 percent of the licensee's tangible
16 shareholders' equity, the licensee shall maintain records evidencing
17 such amount and any security or other source of payment for the
18 amount owed, and such other records as the commissioner may
19 require by order or regulation.

20 (e) *The commissioner shall adopt regulations to carry out and*
21 *implement the factors described in subdivision (b).*

22 *SEC. 5. Section 2082 of the Financial Code is amended to*
23 *read:*

24 2082. (a) "Eligible security" means any United States currency
25 eligible security or foreign currency eligible security.

26 (b) For the purposes of this division, the following are United
27 States currency eligible securities:

28 (1) Cash.

29 (2) Any deposit in an insured bank or an insured savings and
30 loan association or insured credit union.

31 (3) Any bond, note, or other obligation that is issued or is
32 guaranteed by the United States or any agency of the United States.

33 (4) Any bond, note, or other obligation that is issued or
34 guaranteed by any state of the United States or by any
35 governmental agency of or within any state of the United States
36 and that is assigned an eligible rating by an eligible securities rating
37 service.

38 (5) Any bankers acceptance that is eligible for discount by a
39 federal reserve bank.

1 (6) Any commercial paper that is assigned an eligible rating by
2 an eligible rating securities service.

3 (7) Any bond, note, or other obligation that is assigned an
4 eligible rating by an eligible securities rating service.

5 (8) Any share of an investment company that is an open-end
6 management company, that is registered under the Investment
7 Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.), that holds
8 itself out to investors as a money market fund, and that operates
9 in accordance with all provisions of the Investment Company Act
10 of 1940, and the regulations of the Securities and Exchange
11 Commission applicable to money market funds, including Section
12 270.2a-7 of the regulations of the Securities and Exchange
13 Commission (17 C.F.R. 270.2a-7).

14 For purposes of this paragraph and paragraph (9), “investment
15 company,” “management company,” and “open-end” have the
16 meanings set forth in Sections 3, 4, and 5, respectively, of the
17 Investment Company Act of 1940 (15 U.S.C. Secs. 80a-4 and
18 80a-5, respectively).

19 (9) Any share of an investment company that is an open-end
20 management company, that is registered under the Investment
21 Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.), and that
22 invests exclusively in securities that constitute eligible securities
23 that comply with valuation requirements of this division.

24 (10) Any account due to any licensee from any agent in the
25 United States on account of the receipt of money on behalf of the
26 licensee for money transmission by the agent, if the account is
27 current and not past due or otherwise doubtful of collection.

28 (11) Any other security or class of securities that the
29 commissioner has by regulation or order declared to be eligible
30 securities.

31 (12) *Any receivable owed by a bank and resulting from an*
32 *automated clearinghouse or credit-funded transmission.*

33 (c) “Foreign currency eligible security” means any of the
34 following that is denominated in a foreign currency:

35 (1) Cash.

36 (2) Any deposit in an office of a bank acceptable to the
37 commissioner that is located in a foreign country.

38 (3) Any other security or class of securities that the
39 commissioner has by regulation or order declared to be eligible
40 securities pursuant to Section 2086.

(d) For the purposes of this division, “value” means the following:

(1) When used with respect to an eligible security owned by a licensee of the type described in paragraph (10) of subdivision (b), net carrying value as determined in conformity with United States generally accepted accounting principles. However, in computing the value of the account, any amount that consists of money that has not been remitted to the licensee or refunded within 45 business days of receipt by the agent shall be excluded from the value of the account and shall be excluded from the calculation of eligible securities.

(2) Market value when used with respect to any other eligible security owned by a licensee.

~~SEC. 3.~~

SEC. 6. Section 2084 of the Financial Code is amended to read:

2084. (a) A licensee shall be deemed to own an eligible security only if the following apply:

(1) The licensee owns the eligible security solely and exclusively in its own right, both of record and beneficially.

(2) The eligible security is not subject to any pledge, lien, or security interest.

(3) The licensee can freely negotiate, assign, or otherwise transfer the eligible security.

(b) Notwithstanding subdivision (a), no licensee shall be deemed not to own an eligible security solely on account of any of the following facts, provided that, but for that fact, the licensee would be deemed to own the eligible security under the provisions of subdivision (a):

(1) The fact that the eligible security is owned of record by a documented nominee of the licensee or by a securities depository.

(2) The fact that the licensee has pledged the eligible security with the United States or any state of the United States to secure payment by the licensee of transmission money.

(3) The fact that the licensee holds the eligible security in a custodial capacity as an agent of its customers in a pooled account titled in the name of the licensee for the benefit of its customers.

(c) The commissioner shall make a determination of the application of paragraph (3) of subdivision (b) ~~on a case-by-case basis.~~ *based on the following:*

1 (1) *The amount, nature, quality, and liquidity of the licensee's*
2 *assets.*

3 (2) *The amount and nature of the licensee's liabilities.*

4 (3) *The history of the licensee's compliance with applicable*
5 *state and federal law.*

6 SEC. 7. *Section 2101 of the Financial Code is amended to*
7 *read:*

8 2101. Every licensee or its agent shall forward all money
9 received for transmission or give instructions committing
10 equivalent money to the person designated by the customer within
11 10 days after receiving that money, unless otherwise ordered by
12 his or her customer *or when the transmission is for the payment*
13 *of goods or services.*

14 SEC. 8. *Section 2102 of the Financial Code is amended to*
15 *read:*

16 2102. (a) Every licensee or its agent shall refund to the
17 customer within 10 days of receipt of the customer's written request
18 for a refund any and all money received for transmission unless
19 any of the following occurs:

20 (1) The money has been forwarded within 10 days of the date
21 of receipt.

22 (2) Instructions have been given committing an equivalent
23 amount of money to the person designated by the customer within
24 10 days of the date of the receipt of the money from the customer.

25 (3) The customer instructs the licensee to transmit the money
26 at a time beyond 10 days. If the customer gives instructions as to
27 when the money shall be forwarded or transmitted and the moneys
28 have not yet been forwarded or transmitted, the licensee or its
29 agent shall refund the customer's money within 10 days of receipt
30 of the customer's written request for a refund.

31 (4) Refund would violate law.

32 (b) In the case of money received for transmission, *except for*
33 *money transmission for the payment of goods or services*, a receipt
34 shall be provided by a licensee or its agent to all customers which
35 shall be made available to the customer in English and in the
36 language principally used by that licensee or that agent to advertise,
37 solicit, or negotiate, either orally or in writing, at that branch office
38 if other than English. The receipt shall either include or have
39 attached a conspicuous statement in English and in the language
40 principally used by the licensee or that agent to advertise, solicit,

1 or negotiate, either orally or in writing at that branch office if other
2 than English in a size equal to at least 10 point bold type, as
3 follows:

4
5 RIGHT TO REFUND
6

7 “You, the customer, are entitled to a refund of the money to be transmitted as
8 the result of this agreement if _____ (name of licensee) does not forward the
9 money received from you within 10 days of the date of its receipt, or does not
10 give instructions committing an equivalent amount of money to the person
11 designated by you within 10 days of the date of the receipt of the funds from
12 you unless otherwise instructed by you *or when the transmission is for the*
13 *payment of goods or services.*

14
15 If your instructions as to when the moneys shall be forwarded or transmitted
16 are not complied with and the money has not yet been forwarded or transmitted,
17 you have a right to a refund of your money.
18

19 If you want a refund, you must mail or deliver your written request to _____
20 (name of licensee) at _____ (mailing address of licensee). If you do not receive
21 your refund, you may be entitled to your money back plus a penalty of up to
22 \$1,000 and attorney’s fees pursuant to Section 2102 of the California Financial
23 Code.”
24

25 (c) A cause of action under this section may be brought in small
26 claims court if it does not exceed the jurisdiction of that court, or
27 in any other appropriate court. The customer shall be entitled to
28 recover each of the following:

29 (1) Any and all money received for transmission, plus any fees
30 and charges paid by the customer.

31 (2) A penalty in an amount not to exceed one thousand dollars
32 (\$1,000). The court shall award the prevailing party costs and
33 attorney’s fees.

34 ~~SEC. 4.~~

35 *SEC. 9.* Section 2154 is added to the Financial Code, to read:

36 2154. Whenever the commissioner deems it necessary for the
37 general welfare of the public, he or she has continuous authority
38 to exercise the powers set forth in this division whether or not an
39 application for a license has been filed with the commissioner, any

1 license has been issued, or if issued, has been surrendered,
2 suspended, or revoked.

3 ~~SEC. 5. Section 2155 is added to the Financial Code, to read:~~

4 ~~2155. (a) Whenever the commissioner believes from evidence~~
5 ~~satisfactory to the commissioner that any person has violated or~~
6 ~~is about to violate a provision of this division, or a provision of~~
7 ~~any order, license, decision, demand, requirement, or any regulation~~
8 ~~adopted pursuant to this division, the commissioner may, in the~~
9 ~~commissioner's discretion, bring an action, or the commissioner~~
10 ~~may request the Attorney General to bring an action in the name~~
11 ~~of the people of the State of California, against that person to enjoin~~
12 ~~that person from continuing that violation or doing any act in~~
13 ~~furtherance of the violation. Upon a proper showing, a permanent~~
14 ~~or preliminary injunction, restraining order, or writ of mandate~~
15 ~~shall be granted and other ancillary relief may be granted, as~~
16 ~~appropriate.~~

17 ~~(b) If the commissioner determines that it is in the public~~
18 ~~interest, the commissioner may include in any action authorized~~
19 ~~by subdivision (a), a claim for ancillary relief, including, but not~~
20 ~~limited to, a claim for restitution, disgorgement, or damages on~~
21 ~~behalf of the persons injured by the act or practice constituting the~~
22 ~~subject matter of the action. The court shall have jurisdiction to~~
23 ~~award additional relief.~~

24 ~~SEC. 10. Section 2174 is added to the Financial Code, to read:~~

25 ~~2174. (a) The commissioner may prepare written decisions,~~
26 ~~opinion letters, and other formal written guidance to be issued to~~
27 ~~persons seeking clarification regarding the requirements of this~~
28 ~~division.~~

29 ~~(b) The commissioner shall make public on the commissioner's~~
30 ~~Internet Web site all written decisions, opinion letters, and other~~
31 ~~formal written guidance issued to persons seeking clarification~~
32 ~~regarding the requirements of this division.~~